



U.S. GOVERNMENT PUBLISHING OFFICE
Office of Inspector General



SEMIANNUAL REPORT TO CONGRESS

April 1, 2019 – September 30, 2019



ABOUT THE GOVERNMENT PUBLISHING OFFICE

The Government Publishing Office (GPO) was established in 1861 and is the Federal Government's primary resource for producing, procuring, cataloging, indexing, authenticating, disseminating, and preserving the official information products of the U.S. Government in both digital and tangible formats. GPO is responsible for producing and distributing informational products and services for all three branches of the Federal Government, including U.S. passports for the Department of State as well as official publications of Congress, the White House, and other Federal agencies. In addition to publication sales, GPO provides for permanent public access to Federal Government information at no charge through [GovInfo.gov](https://www.govinfo.gov) and via partnerships with libraries nationwide participating in the Federal Depository Library Program.

ABOUT THE OFFICE OF INSPECTOR GENERAL

The Office of Inspector General (OIG) helps GPO carry out its responsibilities by promoting economy, efficiency, and effectiveness in the administration of GPO programs and operations. Our efforts are designed to prevent and detect fraud, waste, and abuse in those programs and operations.

The GPO Inspector General Act of 1988, Title 44, Chapter 39, along with the Inspector General Act of 1978, Title 5, of the United States Code establishes the responsibilities and duties of the OIG. The OIG, located in Washington, DC, has 24 employees and is organized in three main divisions: Inspections and Program Analyses, Audits, and Investigations. Through inspections, audits, investigations, and other activities, the OIG conducts independent and objective reviews of GPO programs and operations which help keep the Director and Congress informed of problems or deficiencies relating to administering and operating GPO.



This report is available on our web site: <https://www.gpo.gov/oig/>



INSPECTOR GENERAL MESSAGE

Please accept this Semiannual Report to Congress (SARC) from the Office of Inspector General (OIG) for the Government Publishing Office (GPO). This report covers the period from April 1, 2019 to September 30, 2019.

Having joined the GPO as Inspector General (IG) in April 2019, this is my first report to Congress and it reflects a major transition for my office. After a series of short term or acting IG's, this represents the first opportunity to address systemic and strategic issues within my office in almost two years.

This period, therefore, has been marked more by change than anything else. Some of the change is deliberate and intended to improve our service to our stakeholders; however, some change was unexpected and presents additional challenges to my office - and likely requires congressional help to address.

We have completely revised our Management Challenges for the GPO and our approach to reviewing progress against them. We have also, concurrent with this report, published a new Annual Work Plan and 5-year Strategic Plan that reflect new goals for and approach to our work. We have reorganized our office to emphasize proactive inspections, and begun a major hiring effort, to include a Deputy IG, an Assistant IG for Inspections, and a Quality Assurance Specialist. We have transferred two major but routine Information Technology systems testing contracts (and any related open recommendations) to the agency for oversight. I have also closed a number of lingering or dormant investigations.

I had the opportunity to testify before the Senate Committee on Rules and Administration in July 2019 and to confer with staff from that committee, the House Administration Committee, and the Joint Committee on Printing on numerous occasions during the reporting period. I look forward to working closely with them over the next reporting period on the important issue of IG independence and especially regarding the recent loss of law enforcement authority for my special agents due to the U.S. Marshals Service decision to revoke deputation for Legislative Branch IG offices.

This period has also been marked by a supportive working relationship with Agency leadership. I have every reason to believe that will continue.

Finally, I would be remiss if I did not acknowledge the invaluable support I received from the IG Community. In particular, Robert Westbrook, IG for the Pension Benefit Guaranty Corporation and Roy Lavik, IG of the Commodity Futures Trading Commission for incredibly talented detailees during this period.

Michael P. Leary
Inspector General



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SELECTED STATISTICS

Investigations

Complaints Opened	6
Complaints Closed	18
Investigative Cases Opened	2
Investigative Cases Closed	10
Subpoenas Issued	1
Referrals to GPO Management	1

Inspections and Audits

Inspections and Audits Reports Issued	2
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MANAGEMENT CHALLENGES

To identify management challenges, we examine ongoing and past inspection, audit, and investigative work, as well as reports where corrective actions have yet to be taken, and analyze new programs and activities that could pose significant challenges because of their breadth and complexity. We also examine GPO Annual Reports, Budget Justification Reports, and Strategic Plans for relevant information about key issues facing the Agency. The prior Semiannual Report showed the following as challenges GPO faces:

- Keeping focus on its mission of information dissemination;
- Improving the Enterprise Architecture and Information Technology Infrastructure;
- Securing Information Technology (IT) systems and protecting related information assets; and
- Improving Print Procurement Programs.

Changes from Previous Reporting Period

Normally, the following key criteria are considered for whether to remove a management challenge from a prior report: (1) demonstrated strong leadership commitment in addressing the issue; (2) ability to address the problem; (3) plan for how corrective measures will be implemented; (4) program for monitoring the corrective action; and (5) demonstrated progress in the implementation of the corrective measures. For my first Semiannual Report to Congress, I have decided to also conduct a fresh assessment of Management Challenges that focus on more measurable progress against more finite challenges. Therefore, below are the new Management Challenges being presented to the GPO leadership team and against which we evaluate going forward.

Challenge 1: GPO will continue to be challenged to attract, develop, and maintain a workforce that best positions the agency to fully transform from print to digital publishing, and allow its business model to grow.

Overview. Subject to a federal hiring system that is less flexible than its private sector counterparts, GPO faces enduring and complex difficulties achieving its long term transformation goals. There are key positions that remain unfilled in the critical areas of acquisition services, finance, and human capital. Hiring subject matter experts in digital publishing practices in direct competition with the private sector is also a significant challenge. While concerns about the length of time it takes to recruit and fill positions with well qualified candidates are not unique to GPO as a federal agency, they are potentially more harmful since GPO operates on a business model.

Challenge. It is critical that GPO has a comprehensive workforce plan for identifying, recruiting, and filling the mission-critical occupations and positions needed to ensure GPO can continue the transformation from print to digital publishing. Improving and updating the personnel policies to facilitate recruiting, hiring, training, retaining, managing, and rewarding a high performance workforce will be a core element of that plan.

GPO progress. This is a new management challenge that was identified as part of OIG’s recent assessment of GPO’s mission, strategic plan, and demands on its resources.

Challenge 2: Managing the strategic impact on GPO caused by the extended absence of a confirmed Director for the agency.

Overview: GPO had an acting senior leadership for a protracted period of time. It is essential for the agency to align its workforce, continue to modernize, develop its acquisitions plan, and focus on a long term vision that aligns with its current strategic priorities. This is best accomplished with a permanent and confirmed Director who is empowered by Congress. GPO has published a 5-Year Strategic Plan (FY 18-22) and continues efforts to modernize its workforce, equipment, and processes; however, this is subject to review and revision once a Director is eventually confirmed.

Challenge: The difficulty for the current acting leadership team is strategically aligning the workforce with the vision of an eventually confirmed GPO Director and senior leadership team. It has been almost two years since the last confirmed director resigned and the hiring of a permanent leadership team is hindered while waiting for the selection of a permanent Director. The lack of a permanent leadership team impacts potential development and implementation of a new vision, strategic plan, developing effective long term business opportunities, infrastructure investment, and workforce alignment with new developments and priorities. Obviously, the confirmation of a Director relies on many external factors outside of GPO’s control; however, the impact on the agency is potentially significant and must be acknowledged.

GPO progress: This is a new management challenge that was identified as part of OIG’s recent assessment of GPO’s mission, strategic plan and demands on its resources.

Challenge 3. Ensuring GPO has a sustainable business model for the near and mid-term future.

Overview: GPO operates on a revolving fund basis, similar to a private sector business. According to GPO, just 16 percent of GPO’s funding comes from direct appropriations to cover the cost of congressional work, the depository library program and supporting distribution programs, and increases to working capital for specified projects in GPO’s Business Operations Revolving Fund. All other revenues to GPO are reimbursements from agencies for work performed or sales of publications to the public.

GPO needs to continue to position itself to effectively bring about a new level of visibility to the agency’s expanding array of products and services that meet the changing information needs of Congress, Federal agencies, and the American public in the digital age.

Challenge: GPO will need a first-rate, system-wide solutions that meets customer requirements and exceed customer expectations. Improved processes and technologies to ensure that solutions are scalable, available, cost-effective, and secure will be critical.

GPO progress: This is a new management challenge that was identified as part of OIG’s recent assessment of GPO’s mission, strategic plan, and demands on its resources.

Challenge 4: Strengthening the integrity of the procurement process.

Overview: GPO is the principal agent for Government printing. Title 44, Chapter 5, Section 501 of the United States Code requires that GPO perform all printing, binding, and blank-book work for Congress, the Executive Branch, the Judiciary – other than the Supreme Court of the United States – and every executive department, independent office, and establishment of the Government.

Challenge: Improvements are needed to strengthen the integrity of the procurement process. This will include ensuring key provisions of GPO’s Print Procurement Regulations (PPR) are followed in its bid selection and contract awarding procedures through greater oversight and closer scrutiny. Due diligence in reviewing contractor’s past performance and financial data must remain a priority and become more effective. The thousands of contracts and contractors, and the hundreds of millions of dollars applied to these contracts annually, require particular scrutiny for waste, fraud, and abuse.

GPO progress: While GPO continues to address contract specifications and publishing needs, we will revise our office’s efforts for evaluating progress to focus on systemic improvement.

INSPECTIONS AND AUDITS

Federal Public Key Infrastructure (PKI) Compliance Report and WebTrust for Certificate Authority

GPO operates as a Certification Authority (GPO-CA) known as the GPO PKI Certification Authority in Washington, DC. GPO’s PKI is cross-certified with the Federal Bridge Certificate Authority (FBCA). FBCA certification requires that GPO PKI undergo an annual independent compliance assessment. The assessment determined that GPO’s Principal Certification Authority Certificate Practices Statement conformed in all material respects to GPO-CA and the Federal PKI common policies, and GPO fairly stated management’s assertion in all material respects.

Recommendations: The report did not contain any recommendations. (WebTrust for Certification Authority, Report No. 19-11, September 16, 2019 and Federal PKI Compliance Report, Report No. 19-12, September 16, 2019)

Table A: Audit Reports Issued In Reporting Period

Including Questioned Costs, Funds Put to Better Use and Other Monetary Impact				
Report Name	Number of Recommendations	Questioned Costs	Funds Put to Better Use	Other Monetary Impact
WebTrust for Certification Authority (Report No. 19-11)	0	\$0	\$0	\$0
Federal PKI Compliance Report (Report No. 19-12)	0	\$0	\$0	\$0

INVESTIGATIONS

Census 2020; Integrity of the Procurement Process (18-0006-I)

On June 19, 2019, the OIG issued the final Management Implication Report to the Agency regarding the integrity of the procurement process in connection to the original award of the 2020 Census contract. Management reviewed the report and concurred that opportunities exist for strengthening the integrity of the procurement process by ensuring key provisions in GPO’s PPR are followed when awarding contracts. Management also agreed that greater oversight and closer scrutiny should have been applied in the 2020 Census contract awarding process and more due diligence should have been exercised when reviewing associated financial data.

Agency Response. The agency has strengthened the integrity of the procurement process by providing greater oversight in procurement activities and ensuring key provisions in GPO’s PPR are followed when awarding contracts. Seven defined actions have been implemented since March 28, 2018 in an effort to ensure that the procurement process operates effectively and efficiently and in the best interest of the public.

Allegations of Misconduct by GPO Officials in Hiring and Administration of Certain GPO Employees (18-0011-I)

This matter is restricted; closed May 7, 2019.

Allegations of Misuse of Agency Funds (18-0017-I)

This matter is restricted; closed July 18, 2019.

Investigation into Safeguarding Customer Agency Personally Identifiable Information (PII) (19-0002-I)

This is an on-going investigation.

Ohio Based Contractor; False Claims and False Statements (14-0016-I)

On December 15, 2016, the OIG issued a suspension and debarment referral concerning false claims made to GPO for work never completed. The OIG investigation determined that the contractor was overcharging GPO by rounding-up order quantities, resulting in an overbilling of \$3,941.60 over three years. The contractor admitted to the overcharging but denied it was intentional due to a misinterpretation of the applicable regulations.

Agency Response. On March 22, 2019, the GPO Suspension and Debarment Official issued a final ruling stating the agency would not debar the contractor, but that less restrictive means would be imposed to ensure the integrity of the procurement process. The company was required to provide GPO with a detailed plan of how they intend to confirm corrective measures are in place.

Table B: Investigations Statistics for Reporting Period¹

Item	Quantity	
Complaints Opened	6	
Complaints Closed	18	
Complaint Referrals to Other Agencies	1	
Complaint Referrals to Inspections and Audits Division	1	
Investigations Opened by Investigations Division during Reporting Period	2	
Investigations Open at End of Reporting Period	50	
Investigations Closed by Investigations Division during Reporting Period	10	
Total Number of Investigative Reports Issued in Reporting Period	1	
Referrals to GPO Management (Complaints and Investigations for either Corrective Action or Informational Purposes)	1	
Current Open Investigations	Number	Percentage
Procurement/Contract Fraud	21	42
Employee Misconduct	12	24
Workers’ Compensation Fraud	1	2
IT/Computer Crimes	3	6
Proactive Initiatives	7	14
Other Investigations	6	12
Total	50	100

¹ Metrics for developing data for reported statistics were obtained from OIG’s Case Management Tracking System.

Table C: Investigations Productivity Statistics for Reporting Period²

Item	No. or Amt.
Arrests, including Summons in Lieu of Arrest	0
Persons Referred to Federal Prosecutors	3
Persons Accepted for Federal Prosecution	0
Persons Declined for Federal Prosecution	1
Persons Pending Prosecutorial Determination	2
Persons Referred to State/Local Prosecution	0
Persons Accepted for State/Local Prosecution	0
Persons Declined for State/Local Prosecution	0
Indictments/Information/Complaints	0
Convictions	0
Guilty Pleas/Deferred Prosecution Agreements	0
Probation (in Months)	0
Jail Time (in Days)	0
Criminal Fines, Fees, Recovery, and/or Restitution	\$0
GPO Fines, Fees, and Restitution	\$0
Persons Referred for Civil Action	0
Persons Accepted for Civil Action	0
Persons Declined for Civil Action	0
Civil Settlements	\$0
Civil Fines, Fees, Recovery, and/or Restitution	\$0
Total Number of Investigative Reports Issued	1
Referrals to GPO Management for Possible Corrective Action and/or Information Purposes	1
Employee Corrective Action	0
Agency/Process Corrective Action	1
Business/Individual Referrals to GPO Suspending and Debarring Official for Suspension and/or Debarment	0
Suspensions	0
Debarments	0
Other Response/Action	5
Employee Suspension/Termination/Other Action	0
Subpoenas Issued	1
Investigations Open at the Beginning of the Period	58
Investigations Open at the End of the Period	50
Complaints Open at the Beginning of the Period	36
Complaints Open at the End of the Period	24
Total: Fines, Questioned Costs, Overcharges, Restitution	\$0

² Metrics for developing data for reported statistics were obtained from OIG’s Case Management Tracking System.

OTHER INFORMATION

Significant Revised Management Decisions

There were no significantly revised management decisions this reporting period.

Significant Management Decision with which the IG Disagreed

There were no significant management decisions with which the IG disagreed during the reporting period.

Inspections, Audits, and Investigations involving Senior Government Employees that were Not Disclosed to the Public or Where Allegations of Misconduct Were Substantiated

There were no instances during the reporting period whereby OIG completed an inspection, audit, or investigation without disclosing the results to the public. All such, product titles are listed on <https://www.gpo.gov/oig/>. Where possible, the report was also posted. Beginning October 2018, the inspection and audit reports, were posted at www.oversight.gov.

Whistleblower Retaliation Investigations

None.

Instances of GPO Refusing to Provide Information or Assistance or Interfering with the OIG’s Independence

There were no instances whereby GPO refused to provide information or assistance or interfered with the OIG’s independence during this reporting period.

PEER REVIEW RESULTS

The following meets the requirement under section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) that IGs include peer review results as an appendix to each semiannual report. Federal audit functions can receive a rating of “pass,” “pass with deficiencies,” or “fail.” Federal investigation functions can receive a rating of “compliant” or “noncompliant.”

Peer Review of GPO OIG Audit Function

The Export-Import Bank OIG reviewed the system of quality control for the audit organization of the GPO OIG and issued its report on June 2, 2017. GPO OIG received a peer review rating of pass with deficiencies. OIG addressed the deficiencies identified during the review.

After our one year extension request was granted, the next audit peer review is scheduled for October 2020.

Peer Review of GPO OIG Investigative Function

The U.S. Pension Benefit Guaranty Corporation OIG conducted the most recent peer review of the investigative function at GPO in May 2016. GPO OIG received a rating of compliant with the quality standards the Council of Inspectors General on Integrity and Efficiency established and applicable Attorney General guidelines.

The next investigation peer review is scheduled for September 2020.

A copy of both peer review reports can be viewed at <http://www.gpo.gov/oig/>.

APPENDIX A

Summary of Each Audit Report over 6 Months Old for Which No Management Decision Has Been Made³

Date Issued	Name	Report Number	Number of Recommendations	Costs (\$)
None				

APPENDIX B

Prior Audit Recommendations on Which Corrective Action Has Not Been Completed in More Than 1 Year⁴

Date Issued	Name of Audit	Report Number	Number of Recommendations	Monetary Impact (\$)
Mar. 30, 2016	Independent Verification and Validation of GPO’s Composition System Replacement	16-11	1	\$742.952
Mar. 28, 2017	Financial Management: Unbilled Congressional Publication Jackets	17-08	2	
		Total	3	\$742,952

3 Section 5(a)(10), IG Act of 1978.

4 Section 5(a)(3), IG Act of 1978

APPENDIX C

Reporting Requirements under the IG Act of 1978

Reporting	Requirement	Pages
Section 4(a)(2)	Review of Legislation and Regulations (none for this period)	None
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	All
Section 5(a)(2)	Recommendations for Corrective Actions to Address Significant Problems, Abuses, and Deficiencies Identified	5
Section 5(a)(3)	Significant Outstanding Recommendations on which Corrective Action has Not Been Completed	11
Section 5(a)(4)	Matters Referred for Prosecutorial Authorities	8
Section 5(a)(5); 6(b)(2)	Information or Assistance Unreasonably Refused or Not Provided	9
Section 5(a)(6)	List of Completed Audit, Inspection, or Evaluation Reports	5 – 8
Section 5(a)(7)	Summary of Significant Reports	5 – 8
Section 5(a)(8)	Statistical Tables Related to Total Value of Questioned or Unsupported Costs	5
Section 5(a)(9)	Statistical Tables Related to Funds Recommended To Be Put to Better Use	5
Section 5(a)(10)	Summary of Each Audit Report over 6 Months Old for Which No Management Decision Has Been Made	11
Section 5(a)(11)	Description and Explanation of Any Significant Revised Management Decision	9
Section 5(a)(12)	Information on Any Significant Management Decision with which the IG Disagrees	9
Section 5(a)(13)	Information described under section 804(b) of the Federal Financial Management Improvement Act of 1996 – not applicable to GPO	N/A
Section 5(a)(14) Through (16)	Peer Review Results	10
Section 5(a)(17)	Statistical Tables Related to Investigations	7 – 8
Section 5(a)(18)	Description of Metrics Used for Developing the Data for the Statistical Tables under Section 5(a)(17)	7 – 8
Section 5(a)(19)	Investigations Involving Senior Government Employees Where Allegations of Misconduct Were Substantiated	9
Section 5(a)(20)	Description of Any Instance(s) of Whistleblower Retaliation	9
Section 5(a)(21)	Description of Any Attempt(s) by the Agency to Interfere with the Independence of the OIG	9
Section 5(a)(22)	Inspections, Evaluations, Audits, and Investigations Involving Senior Government Employees That Were Closed and Not Disclosed to the Public	None

APPENDIX D

Abbreviations and Acronyms

CA	Certification Authority
EA	Enterprise Architecture
FY	Fiscal Year
GPO	Government Publishing Office
IG	Inspector General
IT	Information Technology
OIG	Office of Inspector General
PII	Personally Identifiable Information
PKI	Public Key Infrastructure
PPR	Print Procurement Regulation

APPENDIX E

Glossary of Terms

Criminal Complaint

A formal charging document that sets out the facts and cause of action (establishing probable cause) that the Government alleges are sufficient to support a claim against the charged party (the defendant).

Finding

Statement of problem identified during an inspection or audit typically having a condition, cause, and effect.

Follow-Up

The process that ensures prompt and responsive action once resolution is reached on an IG recommendation.

Funds Put To Better Use

An IG recommendation that funds could be used more efficiently if management took actions to implement and complete the inspection or audit recommendation.

Indictment

The written formal charge of a crime by the grand jury, returned when 12 or more grand jurors vote in favor of it.

Information

The written formal charge of crime by the U.S. Attorney, filed against an accused who, if charged with a serious crime, must have knowingly waived the requirements that the evidence first be presented to a grand jury.

Management Implication Report

A report to management issued during or at the completion of an investigation identifying systemic problems or advising management of significant issues that require immediate attention.

Material Weakness

A significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.

Questioned Cost

A cost the IG questions because of an alleged violation of a law, regulation, contract, cooperative agreement, or other document governing the expenditure of funds; such cost is not supported by adequate documentation; or the expenditure of funds for the intended purposes was determined by the IG to be unnecessary or unreasonable.

Recommendation

Action needed to correct or eliminate recurrence of the cause of the finding identified by the IG to take advantage of an opportunity.

Resolved Inspection/Audit

A report containing recommendations that have all been resolved without exception but not yet implemented.

Unsupported Cost

Questioned cost not supported by adequate documentation.



Report Fraud, Waste, or Abuse

Report violations of law, rules, or agency regulations, mismanagement, gross waste of funds, abuse of authority, danger to public health and safety related to GPO contracts, programs, and/ or employees.

**U.S. Government Publishing Office
Office of Inspector General
P.O. Box 1790
Washington, DC 20013-1790**

Email: gpoighotline@gpo.gov
Fax: 202.512.1352
Main Number: 202.512.0039
Hotline: 1.800.743.7574



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